

CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

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October 25, 2004

TO: Mayor Katz

Commissioner Francesconi Commissioner Leonard Commissioner Sten Commissioner Saltzman City Auditor Blackmer

FROM: Yvonne L. Deckard

Director, Bureau of Human Resources

SUBJECT: Memorandum of Agreement – Water Operations Mechanics

Attached please find a tentative agreement negotiated between the City of Portland and the District Council of Trade Unions (DCTU). Upon ratification, this would establish a *Memorandum of Agreement* (MOA) covering employees of in the classifications of Water Operations Mechanic. Once ratified, the MOA is effective from July 1, 2004 through June 30, 2006. A copy if the tentative agreement is attached to the Ordinance as Exhibit A.

As a component of the DCTU negotiations that concluded in December 2003 with a settlement six months before the expiration of the master *Labor Agreement*, selected classification specific matters were referred to "small team negotiations." One of the matters addressed in the "small team negotiations" were certain terms and conditions for employees in the classification of Water Operations Mechanic. Employees in these classifications work for the Water Bureau.

Nine formal negotiations sessions were convened between the parties wherein wage rate and "lead work" issues were discussed in detail. The parties' chief negotiators also conferred in a number of informal dialogs to narrow disputes and share information. Proposals were also exchanged via mail in a bilateral effort to secure a resolution. A tentative agreement (Exhibit A) was obtained on October 10, 2004. On October 22, 2004 the DCTU President confirmed that this tentative agreement has been ratified by the DCTU.

Highlights of the tentative agreement include the following:

Wages

Effective July 1, 2004 certain wage rates would be adjusted as follows:

| | entry | six months | one year | two years |
|--------------------|---------|------------|----------|-----------|
| previous wage rate | \$21.12 | \$22.95 | na | na |
| new wage rate | \$21.37 | \$23.39 | \$23.65 | \$24.00 |

Certification

All employees will be required to have as a minimum requirement the base Water Distribution (WD) certification (WD1). Current employees must acquire the WD1 certification no later than July 1, 2007. Employees who achieve higher levels of certification will qualify for a certification premium as follows:

| certification | hourly premium |
|---------------|----------------|
| WD1 | Required |
| WD2 | \$0.25 |
| WD3 | \$0.50 |
| WD4 | \$0.75 |

The premium is paid according to the highest certification achieved by the employee. The certification premium will be paid only for the hours worked.

Employees will be required to complete the required Continuing Education Units (CU's) to maintain their certification.

Step Placement for Apprenticeship Program

Upon successful completion of the apprenticeship program, new journey workers would be placed at the one-year wage rate on the schedule.

Lead Pay

Owing to the nature of the work performed, Water Operation Mechanics often serve a lead capacity for crews of employees made up of multiple classifications. In such instances Water Operations Mechanics will qualify for "Lead Pay" as is already provided in the terms of the DCTU labor Agreement.

Recommendation

This tentative agreement is the culmination of extensive formal and informal negotiations between the parties. If ratified, the bureau believes that this MOA will mitigate an internal pay imbalance that is perceived by employees between the Construction and Support Services division and the Operations and Maintenance division. Under this MOA, affected employees will be required to obtain the basic Water Distribution certification and will be encouraged to further professionalize their skills by obtaining higher levels of certification. It is the bureau's and the City's interest to have high performing employees working on the City's water system. I am pleased to recommend that the City Council ratify the tentative agreement.

Cc: Tim Grewe